



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)

(Implements RCW 34.05.310)

Do NOT use for expedited rule making

Agency: Department of Agriculture

Subject of possible rule making: The department is considering amending WAC 16-237-195 (Fees For Warehouse Audit And Related Services) to:

- (a) Establish a new fee for performing special inventories of commodities; and
- (b) Increase the fees charged for all services (except year-end inventories) performed by the Warehouse Audit Program.

Statutes authorizing the agency to adopt rules on this subject: RCW 22.09.020(13), chapter 25, Laws of 2003, 2003 1st Special Session (ESSB 5404), Section 309(2) and chapter 34.05 RCW

Reasons why rules on this subject may be needed and what they might accomplish: The amendments to WAC 16-237-195 (Fees For Warehouse Audit And Related Services) are needed to:

- (a) Enable the Grain Warehouse Audit program to establish a fee for services performed at the request of a licensed warehouse operator for a special year-end inventory; and
- (b) Recover costs incurred by the Warehouse Audit Program for services performed, other than year-end inventories, requested by licensed warehouse operators and grain dealers. These services include, but are not limited to, special technical assisted audits of records and inventories, observation of sampling of commodities, and a re-measurement of commodities.

Licensed warehouses frequently request special inventories at the end of their fiscal year so they can determine the quality and quantities of their year-end inventories that licensed public accountants will use when preparing the warehouse company's year-end financial statements.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The United States Department of Agriculture and the Commodity Credit Corporation also regulate this subject. The Warehouse Audit Program will provide these agencies with copies of any proposed rule amendments for their review and comment.

Process for developing new rule (check all that apply):

- ☐ Negotiated rule making
- ☐ Pilot rule making
- ☐ Agency study
- ☒ Other (describe) Warehouse Audit Program staff will develop the proposed rule amendments in consultation with the program's advisory committee and other industry representatives.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:

(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)

Don Michelbook, Program Manager
(509) 533-2488
dmichelbook@agr.wa.gov

DATE
November 2, 2004

NAME (TYPE OR PRINT)
Robert W. Gore

SIGNATURE

TITLE
Assistant Director

CODE REVISER USE ONLY

CODE REVISER'S OFFICE
STATE OF WASHINGTON
FILED

NOV 2 2004

TIME 2:04 AM
WSR 04-22-095 PM